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Item 1

U.S. Spying Held Unhurt

by West German Breach

WASHINGTON, Sept. 7 — Reagan Administration officials have concluded that recent disclosures of West Germans spying for East Germany are very costly to West German intelligence operations but will not seriously hurt American intelligence activities.

At the same time, the officials acknowledged that the exposures gave an accurate and unsettling look into the amount of Soviet espionage in Western Europe and raised embarrassing questions about sharing information with allies, questions the Administration would sooner not have to answer.

The officials said the Central Intelligence Agency had always assumed that West Germany, more so than other Western European countries, was significantly infiltrated by East German and Soviet agents.

Accordingly, the officials maintained that American intelligence shared with Bonn was given in pieces that did not include information about American agents and their sources and methods.

Same for Most Allies

The same practice, also followed by past Administrations, applies to every Western ally to some degree, the officials said.

"A calculated risk" is what Stansfield Turner, a retired admiral and Director of Central Intelligence from 1977 to 1981, called the sharing of information on intelligence, the military and technology.

Administration after administration has decided that the North Atlantic Treaty Organization could not endure without taking that risk, and that the benefits of sharing outweigh the consequences of some secrets reaching Moscow.

"It is a kind of game we play within the alliance and within our own Government," said a high-ranking Administration official. "We are routinely careful about what we share because we know there's a serious problem in NATO, but mostly we don't think about it because we have no choice but to share."

We Did Worry'

Admiral Turner acknowledged that during his tenure in the Carter Administration, "We did worry from time to time, but not as much as we should have."

In any event, Reagan Administration officials were quick to stress that the greatest damage to American intelligence operations has been done by Americans who spied for Moscow. "We're in no position to throw stones," an intelligence official said.

Almost all of the former and present officials interviewed said Moscow had done far better than the West in placing agents. But Admiral Turner and others noted that it was easier to spy in the West because the societies are open.

But the officials found it difficult to gauge the net effects of the gap in human, as opposed to technical, spying in general or the effects of the latest

spy scandals in West Germany, except to say that Moscow had gained advantages. But they said these had not proved decisive in any area.

Concerned About Government

For now, Reagan Administration officials say they are far more worried about the fate of Chancellor Helmut Kohl's Government than the disruption caused by the defection to East Germany of a high-ranking West German intelligence official.

"The biggest question for us," a State Department official said, "is whether the Kohl Government will go down the tubes, since we don't like any of the alternatives, left or right." The view here is that Mr. Kohl and

The view here is that Mr. Kohi and his subordinates were particularly clumsy in managing their intelligence operations, resulting in the public exposure of alliance problems.

The latest spy scandal started to unfold two weeks ago with the reported defection to East Germany of Hans Joachim Tiedge, Bonn's counterespionage chief watching for East German agents. Mr. Tiedge was allowed to stay in his post for several years apparently despite drinking and debt problems.

About the same time, it was revealed that a secretary to the President of West Germany and a secretary to the Economics Minister were also implicated as spies for East Germany. According to Administration intelligence sources, the involvement of the secretaries brought to light a standing American concern that Bonn does not routinely do full background checks before giving security clearances.

Looking at Special Problems

The officials said it had also caused them to pay attention once again to the special problems of sharing information with West Germany. For one, it is part of a divided country, where people can move back and forth and be readily integrated into West German life. For another, Bonn's various intelligence agencies are considered here to be particularly weak and politicized by ties of individual civil servants to political parties, and marked by a good deal of bureaucratic feuding.

The feuding and politicking is not unique to Bonn, but combined with the movement between the two Germanys, it has led American intelligence officials over the years to exercise extra care in sharing information with Bonn.

These officials say the most sharing of American intelligence is done with Britain. Then, with a considerable

drop, with France and West Germany, then less again with the smaller Western European countries. The officials said that from time to time, Bonn's intelligence chiefs had complained about not getting enough information, but to little avail.

The American officials also pointed out that one of the most serious breaches of Western intelligence occured with the British several years ago. London caught up with one of its citizens in Moscow's employ who had been regularly turning over highly sensitive communications data.

Assessment of Damage

The assessment here of the possible damage by Mr. Tiedge is that he was probably able to shield several East

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German agents from Bonn's detection, and that even though he was not responsible for Bonn's operations in East Germany, he probably knew much about them.

Therefore officials here assume that most of Bonn's agents have had to be called in for their own protection.

"We never relied on them very much anyway," an Administration intelligence official said.

White House officials insisted that American agents in Eastern Europe were in no increased danger and were staying on the job.

Potentially Costly Data

The information that may have been turned over to East Germany by the secretary to Bonn's President might be more costly to the West as a whole, the sources said. She worked in the foreign affairs section and routinely had access to sensitive telegrams and memorandums of conversations with senior Western and American leaders. This political intelligence could have given Moscow the edge in propaganda battles and at the negotiating table.

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Perhaps more worrisome still to officials here was the information that the secretary to the Economics Minister might have passed along. In Bonn, that ministry is in charge of sensitive technology, and the secretary probably had regular access to such data.

Administration officials said technology-sharing with Bonn was extensive and sophisticated. They added that they believed these arrangements, including plans to share technology with Bonn on President Reagan's Strategic Defense Initiative, would not be affected by the spying disclosures.

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The officials noted that American administrations had always cooperated with Bonn extensively on military planning, both bilaterally and through the joint NATO commands and committees. The working assumption of the United States Government over the years has been that much of this is siphoned off to Moscow through agents in the alliance.

But the officials said they thought the damage was limited by the sheer number and levels of plans and contingencies and by the fact that real military decisions are made as the situation unfolds.

